

## Article - Tax - General

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§10-906.

(a) Except as provided in § 10-907 of this subtitle, each employer or payor shall:

(1) withhold the income tax required to be withheld under § 10-908 of this subtitle; and

(2) pay to the Comptroller the income tax withheld for a period with the withholding return that covers the period.

(b) Any income tax withheld is deemed to be held in trust for the State by the employer or payor who withholds the tax.

(c) An employer or payor who withholds income tax shall keep a separate ledger account for withholdings that indicates clearly:

(1) the amount of income tax withheld; and

(2) that the income tax withheld is the property of the State.

(d) If an employer or payor negligently fails to withhold or to pay income tax in accordance with subsection (a) of this section, personal liability for that income tax extends:

(1) to the employer or payor;

(2) if the employer or payor is a corporation, to:

(i) any officer of the corporation who exercises direct control over its fiscal management; or

(ii) any agent of the corporation who is required to withhold and pay the income tax; and

(3) if the employer or payor is a limited liability company as defined under Title 4A of the Corporations and Associations Article or a limited liability partnership as defined under Title 9A of the Corporations and Associations Article, including a limited partnership registered as a limited liability limited partnership, to:

(i) any person who exercises direct control over its fiscal management; and

(ii) any agent of the limited liability company or limited liability partnership who is required to withhold and pay the income tax.

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